

Economic & Social Effects And Growth Inducing Chapter 6

INTRODUCTION

This Chapter discusses economic, social and growth inducing effects of the Project. **Table 6-1** provides the CEQA requirements and a summary of the impact analysis.

Table 6-1
Summary of Economic, Social and Growth Inducing Impacts

Topic	Summary of Impact	CEQA Requirement
Economic Impact	The proposed Project will not result in negative impacts to the region. It will result in a minor increase in economic benefits to the region since the proposed Project will employ 5 additional persons.	CEQA does not have specific requirements for evaluating the economic impacts of a proposed project. Section 15131 of CEQA Guidelines states that “Economic or social information may be included in an EIR or may be presented in whatever form the agency desires.”
Social Impact	The proposed Project will not result in a disproportionate effect on minority populations, low income populations, or Native Americans. The proposed Project does not pose any adverse environmental justice issues that would require mitigation.	The social impacts of a project include environmental justice considerations. California Government Code Section 65040.12 defines Environmental Justice as “the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations and policies.”
Growth Inducing Effect	The proposed Project will not result in significant growth inducing impacts. The expansion of the current composting facility, addition of an anaerobic digester and a compressed natural gas (CNG) station will result in only 5 new employees. The Project will not result in new housing. Growth inducing impacts will be less than significant.	CEQA Guidelines § 15126 (d) makes recommendations for analyzing impacts due to growth inducement, including discussing ways in which the project could foster economic or population growth, the construction of additional housing, or other factors which could remove obstacles to population growth or encourage and facilitate other activities which could impact the environment individually or cumulatively.

Therefore, implementation of the proposed Project will result in less than significant environmental impacts, either individually or cumulatively, caused by either economic, social, or growth inducing effects. No mitigation measures are required.

ENVIRONMENTAL SETTING

“Tulare County has one of the highest rates of unemployment in California and the nation, due in large part to the seasonal nature of agricultural employment. Employment figures for Tulare

County are released by the California Employment Development Department (EDD) in the monthly Labor Force Report. The most recent unemployment figures available (December 2008) reveal a national unemployment rate of 7.2%, 9.3% for California, and 14.3% for Tulare County.”¹

“Approximately 25 percent of the County’s population lives under the poverty level. A comparison between poverty levels from 1990 and 2000 (Table 3-K) shows overall the County’s poverty level has remained constant. However, upon closer investigation there appears to be improvement in some specific communities; London has improved from 64 percent to 45 percent and Tipton from 35 percent to 20 percent. Other communities have gotten worse; Pixley has slipped from 30 percent to 43 percent and Woodville has gone from 26 percent to 37 percent. Tulare County’s rural communities continue to have lower incomes and a higher level of poverty.”²

ECONOMIC IMPACTS

Under CEQA Guidelines 15131, “[e]conomic or social information may be included in an EIR or may be presented in whatever form the agency desires.

- (a) Economic or social effects of a project shall not be treated as significant effects on the environment. An EIR may trace a chain of cause and effect from a proposed decision on a project through anticipated economic or social changes resulting from the project to physical changes caused in turn by the economic or social changes. The intermediate economic or social changes need not be analyzed in any detail greater than necessary to trace the chain of cause and effect. The focus of the analysis shall be on the physical changes.
- (b) Economic or social effects of a project may be used to determine the significance of physical changes caused by the project. For example, if the construction of a new freeway or rail line divides an existing community, the construction would be the physical change, but the social effect on the community would be the basis for determining that the effect would be significant. As an additional example, if the construction of a road and the resulting increase in noise in an area disturbed existing religious practices in the area, the disturbance of the religious practices could be used to determine that the construction and use of the road and the resulting noise would be significant effects on the environment. The religious practices would need to be analyzed only to the extent to show that the increase in traffic and noise would conflict with the religious practices. Where an EIR uses economic or social effects to determine that a physical change is significant, the EIR shall explain the reason for determining that the effect is significant.
- (c) Economic, social, and particularly housing factors shall be considered by public agencies together with technological and environmental factors in deciding whether changes in a project are feasible to reduce or avoid the significant effects on the environment identified in the EIR. If information on these factors is not contained in the EIR, the

¹ 2009 Tulare County Housing Element, page 30

² Ibid., page 35

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information must be added to the record in some other manner to allow the agency to consider the factors in reaching a decision on the project.”³

Economic Benefits of proposed Project

According to the EPA, additional potential revenue from recycling and composting in California could be achieved. See **Table 6-2** below.

Table 6-2⁴
Potential Revenue from Recycling and Composting in California

Revenue Source	Dollars
Additional Salaries and Wages	\$508,142,161
Additional Goods and Services	\$1,383,555,388
Additional Sales	\$679,199,918

The proposed Project consists of an expansion of organic compost production and the creation of an anaerobic digester. The site is the point of sale for the compost products and therefore will increase tax revenue for Tulare County.

The anaerobic digester will take green waste from the area. The point of sale for the disposal of the green waste will be located on site. This additional service will provide an economic benefit to Tulare County. In addition, the digester would produce methane that is processed into CNG for large delivery trucks. This alternative fuel source will serve the composting and digester business by reducing fuel costs. This operational efficiency will not result in direct economic impacts to Tulare County

In addition, the proposed Project will result in increasing the number of employees by 5 persons. This is a modest increase in the number of employees; however, any additional jobs in the area provide an economic benefit for Tulare County and the area near the project site.

SOCIAL EFFECTS

Environmental Justice

On February 11, 1994, President Clinton signed Executive Order (E.O.) 12898, titled “Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations.” The executive order followed a 1992 report by the U.S. Environmental Protection Agency (U.S. EPA) indicating that “[r]acial minority and low-income populations experience higher than average exposures to selected air pollutants, hazardous waste facilities, and other forms of environmental pollution.” Among other things, E.O. 12898 directed federal agencies to incorporate environmental justice into their missions.”⁵ The basis for environmental justice lies in the Equal Protection Clause of the U.S. Constitution, wherein, the Fourteenth Amendment expressly states the following: “No State shall make or enforce any law which shall abridge the

³ 2012 CEQA Guidelines, Section 15131

⁴ Reducing Greenhouse Gas Emissions through Recycling and Composting, page 13

⁵ General Plan Guidelines, page 22

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privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.”⁶

Environmental Justice in Cal Recycle Strategy

The California Integrated Waste Management Board (now known as CalRecycle) has committed to Environmental Justice as contained in their 2001 Strategic Plan. “[T]he Board is committed to protecting the environment and public health and safety in a manner that does not unfairly affect any group. Through the objectives and strategies listed below, we will examine all of our programs and activities to identify opportunities to reach out to low-income and minority populations to ensure that we provide the information and technical assistance needed to participate in a meaningful manner; and to address the disproportionate impacts of pollution on low-income and minority populations.”⁷

Low-income and Minority Populations

The Project site is not located near disadvantaged communities (as defined by E.O. 12898) and there are no large housing complexes within a mile of the project site. The existing surrounding uses near the site are agricultural uses (rural residential/farms, and a dairy). No known housing for migrant farm workers is located within a mile of the site. In addition, the proposed Project is an agricultural land use type that is complementary to other agricultural uses. As a result of the surrounding context and land uses, the proposed Project will not impact low-income and/or minority populations.

Inappropriateness of Affordable Housing

The 2008 Regional Housing Needs Assessment (RHNA) allocated a total 7,035 units to unincorporated areas of the County to meet the January 1, 2007 - June 30, 2014 existing and projected housing need. The allocation included 1,147 units for extremely low income households; 1,147 units for very low income; 2,132 units for low income, 2,138 units for moderate income; and 471 units for above moderate income. The Tulare County Housing Element was certified by the State Department of Housing and Community Development (HCD) in June 2012.

The project site is not suitable for affordable housing as a result of the current agricultural/rural residential zoning. Typically, affordable housing projects require high-densities to maintain economic and financial viability. Low-income and high density affordable housing does not result in sufficient income volume to pay for the cost of construction (without subsidies) and farm worker housing would likely require additional subsidies to recapture cost. In addition, the siting of the proposed Project is not appropriate for affordable housing. The project site is located adjacent to a dairy which will result in land use incompatibility with affordable housing. Lastly, the project site is also not located adjacent to a bus line or within the central portion (a

⁶ U.S. Constitution, Amendment XIV, §1

⁷ Strategic Plan, Integrated Waste Management Board, 2001, page 20

downtown) of the community which could place additional hardships and increase the cost of living for potential low-income resident

GROWTH INDUCEMENT

As outlined in the CEQA Guidelines § 15126.2 (d), growth-inducing impacts of the proposed Project should “[d]iscuss the ways in which the proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Included in this are projects which would remove obstacles to population growth (a major expansion of a waste water treatment plant might, for example, allow for more construction in service areas). Increases in the population may tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects. Also discuss the characteristic of some projects which may encourage and facilitate other activities that could significantly affect the environment, either individually or cumulatively. It must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment.”⁸

Generally, growth inducing impacts are a result of very large businesses or very large housing developments. A large influx of jobs or people would require additional services which could potentially induce growth related impacts. In addition, changes to a General Plan could also induce growth. The General Plan Background Report notes that the Tulare County population will grow from 429,000 in 2007 to 742,970 in 2030. This anticipated growth scenario has already been identified and addressed in the Tulare County 2030 General Plan EIR.

The proposed project would not result in a substantial increase in employment, and correspondingly, would not result in a substantial increase in population and associated demand for housing in the area. For these reasons, the project is not anticipated to result in substantial growth inducement. An increase of 5 individuals to Tulare County’s population would have a minimal effect on employment, public services and facilities, and growth in the overall region. Given Tulare County’s housing vacancy rates combined with the limited permanent workforce needed to support the project, it is anticipated that adequate housing would be available without exceeding the demands of Tulare County’s existing housing supply. Therefore, the operation of the proposed project would not result in new growth in the area relating to the potential population increase.

In addition, the composting expansion and anaerobic digester will convert waste materials into additional niche market products and energy. This niche market product supply expansion will not induce growth as waste products will not be increased. As the region contains an existing supply of waste material for conversion to this niche market, the Project will not directly induce growth. As such the proposed Project does not have the potential to induce significant growth in Tulare County. See **Table 6-3**.

⁸ 2012 CEQA Guidelines, Section 15126.2 (d)

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Table 6-3
Discussion of Potential Growth Inducing Impacts

Potential Growth Inducing Impacts	Discussion
Foster Economic or Population Growth	The proposed expansion of the Project will require employment of 5 additional persons which will result in increased economic growth. Although the proposed Project will result in an economic benefit for Tulare County, the proposed Project will not induce substantial growth.
Construction of Additional Housing – Either Directly or Indirectly	The proposed Project would not increase the demand for housing beyond the existing housing supply. Therefore, the Project will not result in a need for additional housing.
Other Growth Actions	The proposed Project will would not remove obstacles to population growth and will not induce other growth-related activities.

As noted in **Table 6-3**, less than significant growth inducing impacts are anticipated.

REFERENCES

2009 Housing Element, Tulare County

2012 CEQA Guidelines

Strategic Plan, Integrated Waster Management Board, 2001

State of California General Plan Guidelines, Governor's Office of Planning and Research, 2003

Amendments to the Constitution of the United States of America,
<http://www.gpo.gov/fdsys/pkg/GPO-CONAN-1992/pdf/GPO-CONAN-1992-7.pdf>